

UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

In re: WAYPOINT LEASING HOLDINGS LTD., et al.,
Debtors

Case No. 18-13648 (Jointly Administered)
Reporting Period: Jan 01, 2019 – Jan 31, 2019
Fed. Tax. I.D. No.: 98-1102899

CORPORATE MONTHLY OPERATING REPORT

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtors' bank reconciliations)			X
Copies of bank statements			
Cash disbursements journals			
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Post-Petition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			
Copies of tax returns filed during reporting period			
Summary of Unpaid Post-Petition Debts	MOR-4	X	
Listing of Aged Accounts Payable			
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Taxes Reconciliation and Aging	MOR-5	X	
Payments to Insiders and Professionals	MOR-6	X	
Post-Petition Status of Secured Notes and Leases Payable	MOR-6		X
Debtor Questionnaire	MOR-7	X	

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Authorized Individual *

/s/ Alan Jenkins

Dated: February 28, 2019

Printed Name of Authorized Individual

Alan Jenkins
President, Chief Operating Officer &
Chief Financial Officer
Waypoint Leasing
8 Riverpoint, Bishops Quay,
Limerick, Ireland
V94 WC6A
Telephone: +353 61 445 020
Facsimile: +353 61 445 022

*Authorized individual must be an officer, director, or shareholder if debtor is a corporation; a partner if debtor is a partnership; and a manager or member if debtor is a limited liability company.

In re: WAYPOINT LEASING HOLDINGS LTD., et al.,
Debtors

Case No.
Reporting Period:
Fed. Tax. I.D. No.:

18-13648 (Jointly Administered)
Jan 01, 2019 – Jan 31, 2019
98-1102899

**NOTES AND STATEMENTS OF LIMITATIONS
REGARDING THE DEBTORS' MONTHLY OPERATING REPORTS**

On November 25, 2018 (the "**Petition Date**"), Waypoint Leasing Holdings Ltd. ("**Holdings**") and 142 of its direct and indirect subsidiaries and affiliates (collectively, the "**Debtors**," and together with their non-debtor affiliates and subsidiaries, the "**Company**") filed voluntary petitions for relief (the "**Chapter 11 Cases**") under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of New York (the "**Bankruptcy Court**"). The Chapter 11 Cases are being jointly administered for procedural purposes only under case number 18-13648 (SMB) pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure.

Additional information about the Chapter 11 Cases, court filings, and claims information is available online at <http://www.kccllc.net/waypointleasing>.

The following notes and statements of limitations should be referred to in connection with any review of the monthly operating report (the "**MOR**").

1. **Basis of Presentation.** For financial reporting purposes, the Company generally prepares consolidated financial statements, which include information for the Debtors and their non-Debtor affiliates and subsidiaries. The financial statements and information contained herein are unaudited and have been derived from the books and records of the Company. This information, however, has not been subject to certain procedures that would typically be applied to financial information in accordance with generally accepted accounting principles in the United States of America, and upon the application of such procedures the Company believes that the financial information could be subject to changes, which could potentially be material. In preparing the MOR, the Company relied on financial data derived from their books and records that was available at the time of preparation. Subsequent information or discovery may result in material changes to the MOR, and errors or omissions may exist. Notwithstanding any such discovery, new information, errors or omissions, the Debtors do not undertake any obligation or commitment to update the MOR.
2. **Reporting Period.** Unless otherwise noted herein, the MOR generally reflects the Company's books and records and financial activity occurring during the applicable reporting period. Except as otherwise noted, no adjustments have been made for activity occurring after the close of the reporting period.
3. **Accuracy.** The financial information disclosed herein was not prepared in accordance with federal or state securities laws or other applicable non-bankruptcy law, and is not intended to comply with any periodic reporting requirements thereunder. Persons and entities trading in or otherwise purchasing, selling, or transferring the claims against or equity interests in the Company should evaluate this financial information in light of the purposes for which it was prepared. The Company is not liable for and undertakes no responsibility to indicate deviations from securities laws or for any evaluations of the Company based on this financial information or any other information.
4. **Debtors' Reservation of Rights.** The Debtors reserve all rights to amend or supplement the MOR in all respects, as may be necessary or appropriate. Nothing contained in this MOR shall constitute a waiver of any of the Company's rights or an admission with respect to the Debtors' Chapter 11 Cases.
5. **Consolidated Basis.** The MOR was calculated on a consolidated basis for the Company, which includes certain *de minimis* amounts attributable to non-debtor entities.

Notes to MOR-1

Cash is received and disbursed by the Debtors as described in the *Motion of Debtors Pursuant to 11 U.S.C. §§ 105(a), 345(b), 363(c), 364(a), and 503(b) and Fed. R. Bankr. P. 6003 and 6004 for Interim and Final Orders (I) Authorizing Debtors to (A) Continue Existing Cash Management System, (B) Honor Certain Prepetition Obligations Related to the Use Thereof, and (C) Continue Intercompany Transactions and Provide Administrative Expense Priority for Postpetition Intercompany Claims; (II) Extending Time to Comply with 11 U.S.C. § 345(b); and (III) Granting Related Relief* [ECF No. 13], and as modified in the final order approving the same at ECF No. 126.

All amounts listed are the bank balances as of December 31, 2018 and January 31, 2019. The Company has, on a timely basis, performed bank account reconciliations in the ordinary course of business. Due to the level of detailed records, copies of the bank account statements and reconciliations are available for inspection only upon request.

In re: WAYPOINT LEASING HOLDINGS LTD., et al.,
Debtors

Case No. 18-13648 (Jointly Administered)
Reporting Period: Jan 01, 2019 – Jan 31, 2019
Fed. Tax. I.D. No.: 98-1102899

MOR-1 - SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS BY LEGAL ENTITY

USD in thousands

Debtor ⁽¹⁾	Case No.	Balance Opening 12/31/18	Cash Receipts	Cash Disbursements	Intercompany Transfers	Net DIP Financing Activity	FX and Other	Balance Closing 01/31/19 ⁽²⁾
MSN 9229 AS	18-13694	\$ 80	\$ 49	\$ (0)	\$ (49)	\$ -	\$ (0)	\$ 80
AE Helicopter (5) Limited	18-13692	70	70	(0)	(70)	—	—	70
AE Helicopter (6) Limited	18-13701	70	70	(0)	(70)	—	0	70
Waypoint Asset Company Number 1 (Ireland) Limited	18-13663	1,163	3,307	—	(1,857)	—	(0)	2,613
Waypoint Asset Company Number 2 (Ireland) Limited	18-13682	728	585	(144)	—	—	(92)	1,077
Waypoint Asset Co 3 Limited	18-13732	870	1,299	—	(1,151)	—	(76)	942
Waypoint Asset Co 4 Limited	18-13717	65	—	—	—	—	(0)	65
Waypoint Asset Co 5 Limited	18-13721	311	272	—	(469)	—	(0)	114
Waypoint Asset Co 6 Limited	18-13702	355	601	—	(672)	—	(0)	284
Waypoint Asset Co 7 Limited ⁽³⁾	18-13739	7,491	1,566	—	—	—	0	9,056
Waypoint Asset Co 8 Limited	18-13708	102	1,024	(0)	(932)	—	(72)	123
Waypoint Asset Co 9 Limited	18-13763	466	598	—	(750)	—	0	314
Waypoint Asset Co 10 Limited	18-13759	581	426	—	(17)	—	(1)	990
Waypoint Asset Co 11 Limited	18-13777	82	200	—	—	—	(0)	282
Waypoint Asset Co 12 Limited	18-13789	1,904	490	—	(529)	—	(0)	1,865
Waypoint Asset Co 14 Limited	18-13776	(0)	—	—	—	—	—	(0)
Waypoint Asset Co 15 Limited	18-13780	(0)	—	—	13,484	—	—	13,484
Waypoint Asset Co 1A Limited	18-13677	1	—	—	—	—	(0)	1
Waypoint Asset Co 1B Limited	18-13748	89	89	—	(89)	—	(0)	89
Waypoint Asset Co 1C Limited	18-13683	0	—	—	—	—	0	0
Waypoint Asset Co 1d Limited	18-13652	1	—	—	—	—	(0)	1
Waypoint Asset Co 1E Limited	18-13762	1	—	—	—	—	(0)	1
Waypoint Asset Co 1F Limited	18-13654	0	30	—	(30)	—	(0)	0
Waypoint Asset Co 1G Limited	18-13655	40	55	—	(40)	—	(0)	55
Waypoint Asset Co 1H Limited	18-13658	0	90	—	(90)	—	0	0
Waypoint Asset Co 1J Limited	18-13659	(0)	—	—	—	—	—	(0)
Waypoint Asset Co 1K Limited	18-13661	1	—	—	—	—	(0)	1
Waypoint Asset Co 1L Limited	18-13664	1	154	—	(77)	—	(0)	78
Waypoint Asset Co 1M Limited	18-13667	—	—	—	—	—	—	—
Waypoint Asset Co 1N Limited	18-13670	—	—	—	—	—	—	—
Waypoint Asset Co 3A Limited	18-13703	1	—	—	—	—	(0)	1
Waypoint Asset Co 5A Limited	18-13746	(0)	—	—	—	—	(0)	(0)
Waypoint Asset Co 5B Limited	18-13761	—	—	—	—	—	—	—
Waypoint Asset Co Germany Limited	18-13782	—	—	—	—	—	—	—
Waypoint Asset Euro 1A Limited	18-13713	86	120	—	(85)	—	(0)	121
Waypoint Asset Euro 1B Limited	18-13750	0	—	—	—	—	(0)	0
Waypoint Asset Euro 1C Limited	18-13756	2	216	—	(59)	—	4	164
Waypoint Asset Euro 1D Limited	18-13738	1	—	—	—	—	(0)	1
Waypoint Asset Euro 1E Limited	18-13781	0	182	—	(182)	—	(0)	0
Waypoint Asset Euro 1F Limited	18-13768	168	227	—	(272)	—	(1)	121
Waypoint Asset Euro 1G Limited	18-13673	(0)	—	—	—	—	0	(0)
Waypoint Asset Euro 7A	18-13742	0	—	—	—	—	(0)	0
Waypoint Asset Euro 9A Limited	18-13774	0	—	—	—	—	(0)	0
Waypoint Asset Funding 1 LLC	18-13669	—	—	—	—	—	—	—
Waypoint Asset Funding 2 LLC	18-13723	—	—	—	—	—	—	—
Waypoint Asset Funding 3 LLC	18-13698	—	—	—	—	—	—	—
Waypoint Asset Funding 6 LLC	18-13707	—	—	—	—	—	—	—
Waypoint Asset Funding 8 LLC	18-13744	—	—	—	—	—	—	—
Waypoint Asset Malta Ltd	18-13699	11	237	(0)	(247)	—	(0)	1
Waypoint Asset Malta 1A Limited	18-13783	183	131	—	(182)	—	(0)	132
Waypoint Asset Sterling 9A Limited	18-13753	0	—	—	—	—	0	0
Waypoint Leasing Holdings Ltd.	18-13648	0	—	—	—	—	(0)	0
Waypoint Leasing (Ireland) Limited	18-13650	29,523	4,355	(2,600)	(4,854)	18,522	(39)	44,906
Waypoint Leasing (Luxembourg) Euro S.à r.l.	18-13649	161	0	(0)	61	—	(0)	221
Waypoint Leasing (Luxembourg) S.à r.l.	18-13651	1	—	—	—	—	(0)	1
Waypoint Leasing Labuan 1A Limited	18-13680	0	—	—	—	—	(0)	0
Waypoint Leasing Labuan 3A Limited	18-13704	6	72	(0)	(70)	—	—	7
Waypoint Leasing Services LLC	18-13785	97	—	(162)	82	—	0	17
Waypoint Leasing US 8A LLC	18-13745	6	—	—	—	—	(0)	6
Waypoint Leasing Singapore 1 Pte. Limited	18-13787	86	—	(9)	—	—	0	77
Waypoint Leasing UK 1A Limited	18-13790	185	110	—	(184)	—	(0)	110
Waypoint Leasing UK 1B Limited	18-13668	35	83	—	(100)	—	(0)	18
Waypoint Leasing UK 1C Limited	18-13672	—	—	—	—	—	—	—
Waypoint Leasing UK 3A Limited	18-13711	1	—	—	—	—	0	1
Waypoint Leasing UK 5A Limited	18-13767	—	—	—	—	—	—	—
Waypoint Leasing UK8A Limited	18-13743	—	—	—	—	—	—	—
Waypoint Leasing UK 9A Limited	18-13749	371	290	—	(534)	—	(1)	126
Total debtor entities		\$ 45,397	\$ 16,999	\$ (2,916)	\$ (36)	\$ 18,522	\$ (279)	\$ 77,687
Total non-debtor entities		99	—	(47)	36	—	(12)	75
TOTAL		\$ 45,496	\$ 16,999	\$ (2,963)	\$ 0	\$ 18,522	\$ (291)	\$ 77,762

(1) All Debtors that have bank accounts are shown in MOR-1. Debtors that have no bank accounts, such as each of the Debtors' business trusts, are excluded.

(2) Bank reconciliations have not been included because there are no variances between the Debtors' book bank balances and the actual bank balances as of January 31, 2019.

(3) Includes restricted cash of \$2.841 million as of January 31, 2019.

In re: WAYPOINT LEASING HOLDINGS LTD., et al.,
Debtors

Case No. 18-13648 (Jointly Administered)
Reporting Period: Jan 01, 2019 – Jan 31, 2019
Fed. Tax. I.D. No.: 98-1102899

MOR-2 - STATEMENT OF OPERATIONS

USD in thousands

	January 31, 2019
REVENUES	
Lease revenue	\$ 9,587
Interest income	15
Total Revenue	\$ 9,602
EXPENSES	
Depreciation	(3,795)
Interest expense ⁽¹⁾	(634)
Maintenance and leasing expenses	(234)
Selling, general, and administrative expenses	(1,985)
Other costs	(243)
Total Expenses	\$ (6,891)
Profit Before Reorganization Items And Tax	\$ 2,711
Reorganization items ⁽²⁾	(12,101)
Loss Before Tax	\$ (9,390)
Income taxes	(58)
Net Loss	\$ (9,448)

(1) Reflects DIP financing interest only and derivative mark to market movements.

(2) Reorganization items reflect advisory and professional fees that are incremental and directly related to the Debtors' bankruptcy cases.

In re: WAYPOINT LEASING HOLDINGS LTD., et al.,
Debtors

Case No. 18-13648 (Jointly Administered)
Reporting Period: Jan 01, 2019 – Jan 31, 2019
Fed. Tax. I.D. No.: 98-1102899

MOR 3 - BALANCE SHEET

USD in thousands

As of January 31, 2019

ASSETS

Cash and cash equivalents	\$ 74,921
Restricted cash	2,841
Trade and other receivables	15,275
Flight equipment held for operating lease ⁽¹⁾	1,486,014
Deposits for flight equipment purchases	23,460
Deferred tax assets	420
Other assets	12,522
Total Assets	\$ 1,615,453

LIABILITIES

Accounts payable	\$ (30,212)
Other liabilities	(9,993)
Debt	(48,013)
Liabilities subject to compromise ⁽²⁾	(1,172,147)
Total Liabilities	\$ (1,260,365)

SHAREHOLDERS' EQUITY

Preference share capital	\$ (4)
Ordinary share capital	(4)
Additional paid-in capital	(409,118)
Accumulated other comprehensive income	1,882
Accumulated loss	52,156
Total Shareholders' Equity	\$ (355,088)

Total Liabilities And Shareholders' Equity	\$ (1,615,453)
---	-----------------------

(1) Flight equipment held for operating lease remains subject to an impairment review. When the impairment review is completed, a material impairment charge is probable.

(2) The amounts currently classified as liabilities subject to compromise may be subject to future adjustments depending on Bankruptcy Court actions, payments made pursuant to Bankruptcy Court orders, further developments with respect to, among other things, the reconciliation and adjudication of claims, determinations of the secured status of certain claims, the value of any collateral securing such claims, rejection of executory contracts, or other events. Additionally, the Company has entered into forward order agreements with certain OEMs to acquire future aircraft deliveries. In connection with these agreements, the Company is required to make scheduled deposits and final delivery payments. As at January 31, 2019, there are approximately \$38 million of overdue deposits and final delivery payments outstanding under our forward order agreements. No liability has been recognized on our balance sheet for these overdue deposits and final delivery payments.

In re: WAYPOINT LEASING HOLDINGS LTD., et al.,
Debtors

Case No. 18-13648 (Jointly Administered)
Reporting Period: Jan 01, 2019 – Jan 31, 2019
Fed. Tax. I.D. No.: 98-1102899

MOR-4a: STATUS OF POST-PETITION TAXES

Waypoint Leasing Holdings Ltd. and its affiliated Debtors hereby submit this attestation regarding post-petition taxes.

All post-petition taxes for the Debtors, which are not subject to dispute or reconciliation, are current. There are no material tax disputes or reconciliations.

Dated: February 28, 2019
Limerick, Ireland

/s/ Tom Kelly

Tom Kelly
Vice President of Tax
WAYPOINT LEASING
8 Riverpoint, Bishops Quay,
Limerick, Ireland
V94 WC6A
Telephone: +353 61 445 020
Facsimile: +353 61 445 022

In re: WAYPOINT LEASING HOLDINGS LTD., et al.,
Debtors

Case No. 18-13648 (Jointly Administered)
Reporting Period: Jan 01, 2019 – Jan 31, 2019
Fed. Tax. I.D. No.: 98-1102899

MOR 4b - SUMMARY OF UNPAID POST-PETITION DEBTS

USD in thousands

Post-Petition Payables as of January 31, 2019	Number of Days Past Due					
	Current	0-30	31-60	61-90	Over 91	Total
Accounts payable	\$ 28,354	\$ 1,656	\$ 193	9	–	\$ 30,212
Other liabilities	9,993	—	—	—	—	9,993
Debt	48,013	—	—	—	—	48,013
Total	\$ 86,360	\$ 1,656	\$ 193	–	–	\$ 88,218

In re: WAYPOINT LEASING HOLDINGS LTD., et al.,
Debtors

Case No. 18-13648 (Jointly Administered)
Reporting Period: Jan 01, 2019 – Jan 31, 2019
Fed. Tax. I.D. No.: 98-1102899

MOR 5 - ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

USD in thousands

Trade and Other Receivables Aging as of January 31, 2019	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
Trade receivables (<i>see table below</i>)	\$ 2,406	\$ 1,658	\$ 869	\$ 2,273	\$ 7,207
Accrued lease rentals	5,773	—	—	—	5,773
Derivative terminations	1,811	—	—	—	1,811
Other receivables	485	—	—	—	485
	\$ 10,475	\$ 1,658	\$ 869	\$ 2,273	\$ 15,275
Less: bad debts (amount considered uncollectible)	—	—	—	—	—
Trade and Other Receivables	\$ 10,475	\$ 1,658	\$ 869	\$ 2,273	\$ 15,275

Trade Receivables Reconciliation	
Total Accounts Receivable at the beginning of the reporting period	\$ 8,229
Plus: amounts billed during the period	8,834
Less: amounts collected during the period	(9,855)
Total Accounts Receivable at the end of the reporting period	\$ 7,207

In re: WAYPOINT LEASING HOLDINGS LTD., et al.,
Debtors

Case No. 18-13648 (Jointly Administered)
Reporting Period: Jan 01, 2019 – Jan 31, 2019
Fed. Tax. I.D. No.: 98-1102899

MOR 6 - PAYMENTS TO INSIDERS (1) AND PROFESSIONALS (2)

USD in thousands

PROFESSIONALS			
Payee	Amount paid during reporting period	Total paid to date	Payee Category
Milbank, Tweed, Hadley & McCloy LLP	\$ -	\$ 1,358	Lenders' Advisor
Alvarez & Marsal Securities LLC	200	789	Lenders' Advisor
Arthur Cox	190	203	Lenders' Advisor
IBA Aviation Unlocked	—	2	Lenders' Advisor
Alston & Bird LLP	117	424	Lender's Advisor
McCann FitzGerald Solicitors	—	6	Lender's Advisor
Taylor Wessing LLP	—	10	Lender's Advisor
Mayer Brown LLP	103	863	Lender's Advisor
Stroock & Stroock & Lavan LLP	367	655	Lender's Advisor
Norton Rose Fulbright LLP	201	375	Lender's Advisor
Akin Gump Strauss Hauer & Feld LLP	—	191	Lender's Advisor
Sullivan & Cromwell LLP	—	1,331	Lender's Advisor
Clifford Chance US LLP	—	441	Lender's Advisor
Quinn Emanuel	269	269	Lender's Advisor
Eversheds	42	42	Lender's Advisor
Winston & Strawn	22	22	Lender's Advisor
KPMG	—	51	Debtors' Auditors
Total Professional Fees	\$ 1,510	\$ 7,032	

(1) The schedule of payments to insiders will be provided confidentially to the U.S. Trustee given the sensitive and confidential nature of the information included.

In re: WAYPOINT LEASING HOLDINGS LTD., et al.,
Debtors

Case No. 18-13648 (Jointly Administered)
Reporting Period: Jan 01, 2019 – Jan 31, 2019
Fed. Tax. I.D. No.: 98-1102899

MOR - 7: DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.	Yes	No	Notes
Have any assets been sold or transferred outside the normal course of business this reporting period?		X	1
Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X	
Are the Debtors delinquent in the timely filing of any post-petition tax returns?		X	
Has workers compensation, general liability, or other necessary insurance coverage expired or been cancelled, or have the Debtors received notice of expiration or cancellation of such policies?		X	
Are the Debtors delinquent in paying any insurance premium payment?		X	
Have any payments been made on prepetition liabilities this reporting period?	X		2
Are any post-petition receivables (accounts, notes, or loans) due from related parties?		X	
Are any post-petition payroll taxes past due?		X	
Are any post-petition State or Federal income taxes past due?		X	
Are any post-petition real estate taxes past due?		X	
Are any other post-petition taxes past due?		X	
Have any prepetition taxes been paid during this reporting period?	X		2
Are any amounts owed to post-petition creditors delinquent?		X	
Are any wage payments past due?		X	
Have any post-petition loans been received by the Debtors from any party?	X		3
Are the Debtors delinquent in paying any U.S. Trustee fees?		X	
Are the Debtors delinquent with any court-ordered payments to attorneys or other professionals?		X	
Have the owners or shareholders received any compensation outside of the normal course of business?		X	

(1) While helicopter sales are undertaken in the ordinary course of business, the sale of MSN 33156 occurred on January 29, 2019, pursuant to the Order Pursuant to 11 U.S.C. § 363 and Fed. R. Bankr. P. 2002 and 6004 Authorizing Private Sale of Helicopter with Manufacture Serial Number 33156 Free of All Liens, Claims, Encumbrances, and Other Interests and Granting Related Relief [ECF No. 226].

(2) Such payments were made pursuant to the first day orders authorizing payments on account of certain prepetition claims.

(3) The agreement for DIP financing was entered into on 12/11/2018 for \$49 million. The Debtors made the first interim draw for \$15 million on 12/12/2018. The Debtors made the second interim draw for \$15 million on 12/24/2018. Following entry of the final DIP order on 1/9/2019, the remaining \$19 million of DIP loans were deposited into the DIP Funding Account controlled by Ankura as Agent for the lenders on 1/11/2019. The Borrowers accessed the final DIP funding in two withdrawals on 1/15/2019 for \$8.426 million and on 1/29/2019 for \$10.574 million.